

LOUISIANA PUBLIC SERVICE COMMISSION
MINUTES FROM JANUARY 19, 2011
OPEN SESSION

MINUTES OF JANUARY 19, 2011 OPEN SESSION OF THE LOUISIANA PUBLIC SERVICE COMMISSION HELD IN BATON ROUGE, LOUISIANA. PRESENT WERE CHAIRMAN JIMMY FIELD, VICE CHAIR CLYDE HOLLOWAY AND COMMISSIONERS LAMBERT BOISSIERE AND ERIC SKRMETTA. ALSO PRESENT WAS EVE KAHAO GONZALEZ. COMMISSIONER FOSTER CAMPBELL WAS ABSENT.

Open Session of January 19, 2011, convening at 9:57 A.M. and adjourning at 11:51 A.M., Natchez Room, 602 N. 5th Street, 1st Floor, Baton Rouge, Louisiana, with the above-named members of the Commission and Secretary Eve Kahao Gonzalez.

Ex. 1 Announcements

Deputy General Counsel Brandon Frey introduced the newest Staff Attorney, Jeff Valliere.

Commissioner Skrmetta introduced his new Executive Assistant, Ingrid Garvey.

Commissioner Skrmetta directed Staff to find out why no ruling has been made in the Opelousas Trust vs. Cleco matter on the question of jurisdiction.

Commissioner Skrmetta requested that any cell phone companies in attendance who serve in the Cypress Point Hospital area in Hammond get in contact with his office to attempt to resolve the lack of cell phone service inside the hospital.

On motion of Commissioner Skrmetta, seconded by Commissioner Boissiere, with Commissioners Field and Holloway concurring and Commissioner Campbell absent, the Commission voted to take up Docket No. U-31159 out of order.

On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioners Field and Boissiere concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve the Stipulated Settlement, with the rate modification as read into the record.

Commissioner Field thanked Commissioner Boissiere for serving as Chairman for two years straight.

Ex. 2 Election of Chairman and Vice Chairman

On motion of Commissioner Holloway, seconded by Commissioner Boissiere, with Commissioners Field and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to elect Commissioner Field as Chairman.

Commissioner Boissiere nominated Commissioner Skrmetta as Vice Chairman; however this motion died for lack of a second.

On motion of Commissioner Field, seconded by Commissioner Boissiere, with Commissioners Holloway and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to elect Commissioner Holloway as Vice Chairman.

Ex. 3 **U-31196 - Entergy Louisiana, LLC and Entergy Gulf States Louisiana, L.L.C., ex parte. In re: Application of Entergy Louisiana, LLC for Approval to Purchase Power Block Two of the Acadia Energy Center, and Joint Application of Entergy Louisiana, LLC and Entergy Gulf States Louisiana, L.L.C. for Approval to Participate in Certain Related Contracts for the Purchase of Capacity and Electric Power and for Cost Recovery.**

In re: Discussion and possible vote on Uncontested Proposed Stipulated Settlement.

On motion of Commissioner Holloway, seconded by Commissioner Boissiere, with Commissioner Field and Skrmetta concurring and Commissioner Campbell absent, the

Commission voted to accept the Staff Recommendation and approve the Uncontested Stipulated Settlement as filed into the record on December 6, 2010.

Ex. 4 **U-31343 - Resolve Systems, Inc., ex parte..** In re: Request of Application for Rate Increase of monthly rates for water and sewer service.

In re: Discussion and Possible Vote on Proposed Uncontested Stipulated Settlement.

On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Field and Boissiere concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve the Amended Joint Stipulation executed by Staff and Resolve Systems, Inc.

Commissioner Skrmetta directed the company to develop a rate schedule for those customers using 2,000 gallons or less per month and bring that to the Commission in two months.

Ex. 5 **U-31370 - Wastewater Treatment - Utilities, Inc. and Ascension Wastewater Treatment Utilities, Inc., ex parte..** In re: Request for Rate Increases on an Emergency and Interim Basis.

In re: Request for Limited Rehearing by Applicant.

PASSED

Ex. 6 **U-31388 - Entergy Gulf States Louisiana, L.L.C., ex parte..** In re: Test Year 2009 Formula Rate Plan Filing.

In re: Discussion and possible vote on approval of Joint Report.

On motion of Commissioner Boissiere, seconded by Commissioner Holloway, with Commissioner Field and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve the Joint Report as filed into the record.

Ex. 7 **U-29764 - Louisiana Public Service Commission, ex parte..** In re: Entergy Louisiana, LLC and Entergy Gulf States, Inc., retail proceeding to estimate and implement in retail rates in 2007 the rough equalization impact of FERC Opinions No. 480 and 480-A, FERC Docket EL 01-88-000, LPSC vs. Entergy Corp.

In re: Staff Report on recent developments concerning the development of a Successor to the Entergy System Agreement.

Special Counsel Mike Fontham reported to the Commission on the background leading to the notice of withdrawal of Entergy Arkansas, Inc. from the Entergy System Agreement, the status of proceedings at the Federal Energy Regulatory Commission concerning the proposal to withdraw, and the successor agreement proceedings before the Commission, including the importance of obtaining a final determination from the FERC concerning the legitimacy of EAI's effort to remove cheap base load resources from the System upon its withdrawal before committing to any successor arrangement. These resources have been supported for decades by all the System's ratepayers and were built to serve the entire System. Special Counsel also reported on the procedural schedule that will be adopted for investigating the successor agreement.

Ex. 8 **U-31393 - Cleco Power, LLC, ex parte.** In re: Application of Cleco Power LLC for Certificate of Public Convenience and Necessity for: (i) Authorization to install, own and operate advanced metering infrastructure; (ii) authorization to recover in jurisdictional rates all costs reasonably and prudently incurred to install, own and operate advanced metering infrastructure; and (iii) expedited treatment.

In re: Discussion and possible vote on Stipulated Settlement.

Last month's Ex. 5

PASSED

- Ex. 9 **U-31206** - LPSC v. IEG Utilities LLC, IEG Operating LLC. In re: Alleged violation of LSA-R.S. 45:1203 and the Louisiana Public Service Commission General Order Number 2, dated July 1, 1921, for providing water and/or wastewater services to customers and charging rates without LPSC authority.

Last month's Ex. 6

PASSED

- Ex. 10 **S-31753** - Star Telephone Company, Inc. d/b/a Star Communications, ex parte. In re: Petition for Suspension or Modification of "One Business Day" Porting Requirement.

In re: Discussion and possible vote on Staff Recommendation.

On motion of Commissioner Holloway, seconded by Commissioner Field, with Commissioner Boissiere and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and grant the suspension as requested by Star, pursuant to Section 251 (f)(2) of the Act.

- Ex. 11 Entergy Louisiana, LLC, ex parte. In re: Fort Polk Electric Distribution System Privatization

In re: Request for Site Specific Contract.

On motion of Commissioner Holloway, seconded by Commissioner Boissiere, with Commissioner Field and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to accept the Staff Recommendation and approve the Site Specific Rate Contract, with the understanding that the Commission reserves the right to review any impact this Contract has on Entergy or Entergy ratepayers.

- Ex. 12 LPSC, ex parte. In re: Atmos Energy (TransLa) and Atmos Energy (LGS) PGA Audits.

In re: Discussion and possible vote to hire outside consultant.

Commissioner Holloway made a motion to hire J. Kennedy and Associates to assist Staff in this matter. Commissioner Skrmetta offered a substitute motion.

On motion of Commissioner Skrmetta, seconded by Commissioner Boissiere, with Commissioner Holloway concurring, Commissioner Field objecting and Commissioner Campbell absent, the Commission voted to retain the consulting firm of Ariadair Economics Group for a budget of \$25,415 in fees and expenses not to exceed \$2,782 for a total of \$28,197 to assist Staff in this matter.

- Ex. 13 Southwestern Electric Power Company (SWEPCO) Upcoming Request for Proposals for Renewable Generation Resources.

In re: Discussion and possible vote to hire outside consultant.

On motion of Commissioner Holloway, seconded by Commissioner Skrmetta, with Commissioner Field and Boissiere concurring and Commissioner Campbell absent, the Commission voted to retain the consulting firm of Exeter Associates, Inc. for a budget of \$32,500 in fees and expenses not to exceed \$3,500 for a total of \$36,000.

- Ex. 14 LPSC, ex parte. In re: Entergy Louisiana, L.L.C. Fuel Audit 2005-2009.

In re: Discussion and possible vote to hire an outside counsel to assist Staff in this matter.

Last month's Ex. 10.

On motion of Commissioner Skrmetta, seconded by Commissioner Holloway, with Commissioner Boissiere concurring, Commissioner Field objecting and Commissioner Campbell absent, the Commission voted to retain Ezell Law Firm, LLC for a budget of \$80,000 plus expenses not to exceed \$6,000 for a total of \$86,000.

- Ex. 15
- 1) Reports
 - 2) Resolutions
 - 3) Discussions

Commissioner Field directed Staff to have a recommendation ready in the Integrated Resource Planning docket for April.

Commissioner Field directed Staff to come back at the February B&E with a plan on the best way to complete investor owned utility cost of service studies, as well as draft RFPs for outside consultants and counsel to assist Staff in the effort.

Commissioner Holloway and Staff Attorney Melanie Verzwylt reminded everyone of the technical conference in the energy efficiency docket to be held January 25, 2011.

- Ex. 16
- Possible Executive Session pursuant to La. R.S. 42:6.1 and 42:7 to discuss pending litigation regarding Louisiana Public Service Commission versus Louisiana Legislature, Case No. 592,231.

At the request of Commissioner Skrmetta.

On motion of Commissioner Skrmetta, seconded by Commissioner Field, with Commissioners Boissiere and Holloway concurring and Commissioner Campbell absent, the Commission voted to go into Executive Session.

On motion of Commissioner Skrmetta, seconded by Commissioner Field, with Commissioners Boissiere and Holloway concurring and Commissioner Campbell absent, the Commission voted to come out of Executive Session.

- Ex. 17
- Election of LPSC representative to the ERSC.

At the request of Commissioner Skrmetta.

Commissioner Boissiere nominated Commissioner Skrmetta as the new LSPC Representative to the ERSC. Commissioner Skrmetta seconded this motion. However, with Commissioner Holloway abstaining, Commissioner Field objecting and Commissioner Campbell absent, this motion died for lack of a majority vote.

It was further decided to bring this matter back before the Commission at the February B&E.

- Ex. 18
- U-29764** - Louisiana Public Service Commission, ex parte. In re: Entergy Louisiana, LLC and Entergy Gulf States, Inc., retail proceeding to estimate and implement in retail rates in 2007 the rough equalization impact of FERC Opinions No. 480 and 480-A, FERC Docket EL 01-88-000, LPSC vs. Entergy Corp.

In re: Discussion and possible vote on Resolution to the FERC.

At the request of Commissioner Skrmetta.

On motion of Commissioner Holloway, seconded by Commissioner Field, with Commissioner Boissiere and Skrmetta concurring and Commissioner Campbell absent, the Commission voted to adopt the Resolution to the FERC.

- Ex. 19
- U-30192 Phase III-** Entergy Louisiana, LLC, ex parte. In re: Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.

In re: Discussion and Possible Vote to issue Request for Proposals for Bond Counsel and Financial Consultants.

At the request of Commissioner Skrmetta.

The Commission authorized Staff to issue RFPs in this matter.

MEETING ADJOURNED

The next Business and Executive Session will be held February 23, 2011 at 9:00 a.m. in Baton Rouge, Louisiana.